

# **EXHIBIT C**

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September 23, 2020

**Via U.S. First-Class Mail**

Hon. Stacey Jernigan  
United States Bankruptcy Judge  
1100 Commerce Street, Suite No. 1254  
Dallas, Texas 75242

Re: Terry Dondero

Dear Judge Jernigan:

My apologies for writing to you. Unfortunately, when I attempted to speak at this morning's hearing in the Acis Capital Management ("Acis") case, my phone did not put me through. Thus, I was unable to speak in defense of my client, Mr. Dondero, when Your Honor raised questions about his intentions. I fear Mr. Terry and his counsel have found him a very useful target.

It is true that the entities Your Honor identifies with Mr. Dondero have brought or threatened suit against Mr. Terry and Acis – and, perhaps un-wisely, against other potential defendants – but what I believe you have not been told is that the equity tranche of CLOs managed by Acis, which equity the Acis Trustee once proposed to sell for more than \$100,000,000, is now looking at a return of zero. The beneficiaries of that equity tranche are understandably distressed by this result, which they suspect was a consequence of Mr. Terry's post-confirmation mismanagement of Acis. I have been encouraging Mr. Dondero – and through him entities with which he is identified – to attempt to get from Mr. Terry his explanation for the losses suffered by and expenses incurred by the CLOs rather than, as Mr. Chiarello suggested, through discovery obtained by filing suit.

Though Your Honor suggested that the bankruptcy court has exercisable jurisdiction over suits based on a debtor's post-confirmation, ordinary course of business activities, I will not address that at this time, and it may never fall to me to do so. I would most respectfully request, however, that you keep an open mind until that issue is addressed.

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In the meantime, I share your distaste for the litigation arising in Acis and the related Highland Capital Management, LP case. I would only note that none of that litigation has been so far commenced this year by Mr. Dondero but rather was initiated by Acis or Mr. Terry.

Respectfully,



D. Michael Lynn

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